



0000191486

BEFORE THE ARIZONA CORPORATION COMMISSION**COMMISSIONERS**

Arizona Corporation Commission

DOCKETED

TOM FORESE - Chairman
BOB BURNS
ANDY TOBIN
BOYD DUNN
JUSTIN OLSON

AUG 22 2018

DOCKETED BY

WJW

In the matter of)

CORY R. WILLIAMS (CRD #4797256),)

WILLIAMS ADVISORY GROUP, LLC)
(CRD #175402), an Arizona limited liability)
company,)

DOCKET NO. S-21048A-18-0159

DECISION NO. 76821**ORDER FOR REVOCATION**

Respondents.)

On June 15, 2018, the Securities Division ("Division") of the Arizona Corporation Commission ("Commission") filed a Notice of Opportunity for Hearing Regarding Proposed Order for Revocation (the "Notice") against Respondents CORY R. WILLIAMS and WILLIAMS ADVISORY GROUP, LLC.

On June 15, 2018, the Division served a copy of the Notice, upon CORY R. WILLIAMS and WILLIAMS ADVISORY GROUP, LLC, by personally serving CORY R. WILLIAMS individually and as the managing member and statutory agent for WILLIAMS ADVISORY GROUP, LLC. To date, no request for a hearing or answer to the Notice has been filed.

I.**FINDINGS OF FACT**

1. WILLIAMS ADVISORY GROUP, LLC ("WAG") is a limited liability company organized under the laws of the state of Arizona on or about September 27, 2010.

2. At all times relevant to this matter, CORY R. WILLIAMS ("WILLIAMS") has been a resident of Arizona.

1 3. At all times relevant to this matter, WILLIAMS has been the statutory agent and the
2 managing member of WAG.

3 4. From on or about April 17, 2015, until December 31, 2016, WAG was licensed with the
4 Commission (CRD #175402) as an investment adviser.

5 5. On December 31, 2016, WAG's licensure with the Commission as an investment adviser
6 expired, pursuant to A.R.S. § 44-3158(A).

7 6. Since at least October 28, 2011 to December 31, 2016, WILLIAMS was licensed with
8 the Commission (CRD #4797256) as an investment adviser representative, in association with
9 investment advisers Triumph Wealth Advisors, Inc. [October 28, 2011 through October 30, 2015], and
10 WAG [October 26, 2015 through December 31, 2016], based in Arizona.

11 7. On December 31, 2016, WILLIAMS' licensure with the Commission as an investment
12 adviser representative expired, pursuant to A.R.S. § 44-3158(A).

13 8. WAG and WILLIAMS may be referred to collectively as "Respondents."

14 9. On May 3, 2017, the United States Commodity Futures Trading Commission
15 ("CFTC") filed a Complaint in the United States District Court, for the District of Arizona against
16 WILLIAMS and WAG for violations of the Commodity Exchange Act, and CFTC Regulations
17 ("CFTC Complaint").

18 10. On September 27, 2017, the United States Attorney General's Office, District of
19 Arizona filed an Information (the "Information") in the United States District Court, for the District
20 of Arizona (the "Court") against WILLIAMS for violating federal law.

21 11. On September 27, 2017, WILLIAMS entered into a Plea Agreement with the United
22 States Attorney's Office, District of Arizona, which was accepted by the Court. On September 27,
23 2017, WILLIAMS pled guilty to the Information charging him with a violation of 18 U.S.C. §
24 1957(a), Transactional Money Laundering, a Class C felony offense.

25 12. In the Factual Basis of the Plea Agreement, WILLIAMS admits that the following
26 facts are true:

- 1 • From March 2014 through November 2016, WILLIAMS solicited his family, friends,
2 and members of his church into turning over their money to WILLIAMS in order for
3 him to invest on their behalf;
- 4 • WILLIAMS attracted and retained investors by representing that he was a highly
5 successful trader in the futures market when, in fact, he was not;
- 6 • WILLIAMS raised more than \$13,000,000 from at least 40 investors, WILLIAMS
7 represented to these investors they would be participating in a pooled investment
8 vehicle wherein WILLIAMS would trade E-Mini S&P 500 futures in his personal
9 account for the benefit of the investors;
- 10 • WILLIAMS lost more than \$8,000,000 of the investors' funds through trading and
11 did not disclose those losses to the investors, instead WILLIAMS misrepresented to
12 the investors that their investments were making a profit;
- 13 • WILLIAMS used more than \$3,000,000 of the investors' funds to repay certain
14 investors who requested a return of their funds, which helped to conceal his fraudulent
15 scheme;
- 16 • WILLIAMS diverted more than \$800,000 of the investors' funds to his own personal
17 use; and
- 18 • WILLIAMS continued to send text messages to the investors reporting fabricated
19 weekly profits even after he lost all of their money.

20 13. On March 16, 2018, United States District Judge, the Honorable John Tuchi issued an
21 Order, which included restitution and a default judgment, in the CFTC action against WILLIAMS
22 and WAG (the "CFTC Order").

23 14. In the Findings of Fact section of the CFTC Order, the Court found that the following
24 was sufficiently alleged in the CFTC Complaint:

- 25 • From at least April 2014 through December 2016, WILLIAMS, individually and as
26 agent and officer of WAG, fraudulently solicited and directly accepted \$13,131,390

1 from at least 40 individual and or entities (“pool participants” or “participants”) to
2 participate in a pooled investment vehicle for the purported purpose of trading
3 commodity futures contracts;

- 4 • WILLIAMS traded significant volumes of E-Mini S&P 500 futures contracts in his
5 personal trading accounts using participants’ funds and consistently suffered heavy
6 losses [approximately \$8,300,000 in losses];
- 7 • WILLIAMS lost money every single month he traded from April 2014 through
8 December 2016, all the while falsely representing to participants that he was trading
9 profitably on their behalf;
- 10 • WILLIAMS returned \$3,406,373 of the original \$13,131,390 in participant funds to
11 certain participants as withdrawals of principal or as trading “profits” in furtherance
12 of his fraudulent scheme;
- 13 • WILLIAMS used approximately \$1,300,000 of participants’ funds for his personal
14 expenses;
- 15 • At no time did WILLIAMS operate the pool as legal entity separate from that of the
16 pool operator, nor did WILLIAMS ever open a pool trading account for the benefit of
17 the participants; and
- 18 • WILLIAMS, individually and as an agent and officer of WAG, omitted material facts
19 in his communications to participants, by failing to disclose his misappropriation of
20 participants’ funds, his failure to register as a commodity pool operator (“CPO”), his
21 failure to operate the pool as a separate legally cognizable entity, and his commingling
22 of funds.

23 15. The CFTC Order found that WILLIAMS and WAG violated 7 U.S.C. § 6b(a)(1)(A)-
24 (C) (2012) (Fraud in Connection with Commodity Futures Contracts). The CFTC Order further found
25 that WILLIAMS violated 7 U.S.C. § 6o(1)(A) and (B) (2012) (Fraud by a Commodity Pool
26 Operator). The CFTC Order further found that WILLIAMS violated 17 C.F.R. § 4.20(a)(1), (b), and

1 (c) (2016) (Prohibited Activities by a Commodity Pool Operator). The CFTC Order further found
2 that WILLIAMS violated 7 U.S.C. § 6m(1) (2012) (Failure to Register as a CPO).

3 16. Pursuant to the CFTC Order, WILLIAMS and WAG are both permanently restrained,
4 enjoined, and prohibited from directly or indirectly:

- 5 a) Engaging in conduct that violates 7 U.S.C. § 6b(a)(1)(A)-(C), 6m(1), and 6o(1)(A)
6 and (B) (2012), and 17 C.F.R. §§ 4.20(a)(1), (b), and (c) (2016);
7 b) Entering into any transaction involving “commodity interests” for their own personal
8 account or for any account in which they have direct or indirect interest;
9 c) Having any commodity interest traded on their behalf;
10 d) Controlling or directly trading for or on behalf of any other person in any account
11 involving commodity interests;
12 e) Soliciting, receiving, or accepting funds from any person for the purpose of
13 purchasing or selling any commodity interests; and
14 f) Applying for registration or claiming exemption from registration with the CFTC in
15 any capacity, and engaging in any activity requiring registration or exemption from
16 registration with the CFTC.

17 17. According to the CFTC Order, WILLIAMS and WAG are ordered to pay, on a joint
18 and several basis, restitution in the amount of \$9,725,017. WILLIAMS and WAG are further ordered
19 to pay, on a joint and several basis, a civil monetary penalty in the amount of \$9,725,017,

20 18. Notwithstanding that the Respondents are not currently licensed with the
21 Commission, under A.R.S. § 44-3202(D) both Respondents continue to be subject to the
22 Commission’s jurisdiction within two years after termination of their licensure for the purpose of
23 denying, suspending, or revoking their licensure in connection with conduct that began before the
24 termination of their licensure.

25 ///

26 ///

II.**CONCLUSIONS OF LAW**

1. The Commission has jurisdiction over this matter pursuant to Article XV of the Arizona Constitution and the Arizona Investment Management Act ("IM Act").

2. Respondents' conduct are grounds to revoke Respondent WAG's license as an investment adviser and Respondent WILLIAMS' license as an investment adviser representative with the Commission, pursuant to A.R.S. § 44-3201.

3. Specifically, Respondents WAG and WILLIAMS are permanently enjoined by order of a court of competent jurisdiction from engaging in or continuing any conduct or practice involving a violation of any federal or state securities law or a violation of any other regulatory licensing requirement, within the meaning of A.R.S. § 44-3201(A)(9).

4. Respondents WAG and WILLIAMS have engaged in dishonest or unethical practices in business or financial matters, within the meaning of A.R.S. § 44-3201(A)(14).

5. Revocation of Respondent WAG's license as an investment adviser and Respondent WILLIAMS' license as an investment adviser representative would be in the public interest.

6. Notwithstanding that the Respondents are not currently licensed with the Commission, under A.R.S. § 44-3202(D) both Respondents continue to be subject to the Commission's jurisdiction within two years after termination of their licensure for the purpose of denying, suspending, or revoking their licensure in connection with conduct that began before the termination of their licensure.

III.**ORDER**

THEREFORE, on the basis of the Findings of Fact, and Conclusions of Law, the Commission finds that the following relief is appropriate, in the public interest, and necessary for the protection of investors:

1 IT IS ORDERED, pursuant to A.R.S. § 44-3201, that Respondent WAG's investment adviser
2 license is revoked.

3 IT IS FURTHER ORDERED, pursuant to A.R.S. § 44-3201, that Respondent WILLIAMS'
4 investment adviser representative license is revoked.


5 IT IS FURTHER ORDERED, that if any Respondent fails to comply with this order, the
6 Commission may bring further legal proceedings against Respondent(s), including application to the
7 superior court for an order of contempt.

8 IT IS FURTHER ORDERED that this Order shall become effective immediately.

9 BY ORDER OF THE ARIZONA CORPORATION COMMISSION

10 

CHAIRMAN FORESE

10 

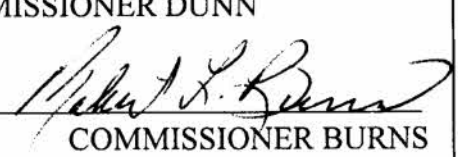
COMMISSIONER DUNN

11 

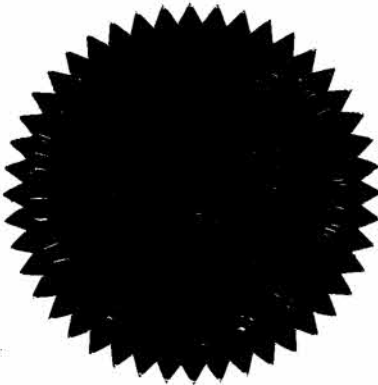
COMMISSIONER TOBIN

11 

COMMISSIONER OLSON

11 

COMMISSIONER BURNS



14 IN WITNESS WHEREOF, I, Matthew J. Neubert, Interim
15 Executive Director of the Arizona Corporation Commission,
16 have hereunto set my hand and caused the official seal of the
17 Commission to be affixed at the Capitol, in the City of Phoenix,
18 this 22ND day of AUGUST, 2018.

18 
19 MATTHEW J. NEUBERT
20 INTERIM EXECUTIVE DIRECTOR

21 _____
21 DISSENT

22 _____
22 DISSENT

23 This document is available in alternative formats by contacting Kacie Cannon, ADA Coordinator,
24 voice phone number (602) 542-3931, e-mail kcannon@azcc.gov.

25 (MS)
26

1 SERVICE LIST FOR: CORY R. WILLIAMS *et al.*

2 WILLIAMS ADVISORY GROUP, LLC

3 2484 E. Lodgepole Drive

4 Gilbert, AZ 85298

(*Respondent*)

5 CORY R. WILLIAMS

6 501 East Hopkins Street

7 Gilbert, AZ 85234

(*Respondent*)

8 WILLIAMS ADVISORY GROUP, LLC'S Statutory Agent

9 CORY R. WILLIAMS

10 501 East Hopkins Street

11 Gilbert, AZ 85234

(*Statutory Agent*)